

Department of Natural Resources

Division of Mining, Land & Water Mining Resources Section

> 550 West 7th Avenue, Suite 930 Anchorage, Alaska 99501-3577 Main: 907.269.8642 TDD: 907.269.8411 Fax: 907.269.8949

February 7, 2014

Sally McLeod Environmental Manager Sumitomo Metal Mining Pogo LLC P.O. Box 145 Delta Junction, AK 99737

Subject: Pogo Mine Plan of Operations (F20129500) Amendment Approval - Revision 8, ORTW Line (Phase II)

Dear Ms. McLeod,

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The Division of Mining, Land and Water (DMLW) received correspondence from Sumitomo Metal Mining Pogo LLC (Pogo) dated January 22, 2014, requesting the approval to amend the Plan of Operations (F20129500) (POO) for Off River Treatment Works (ORTW) Phase II. The request includes the addition of 6,600 feet of new 10-inch HDPE pipe to the new ORTW, with the Phase II construction beginning at the Phase I termination valve and ending at the ORTW building sump.

The DMLW understands the Phase II line will provide Pogo a 600 gpm wastewater treatment and discharge capability. ADNR understands the construction method for the Phase II line will be similar to Phase I, and that Phase II construction will commence during winter conditions with frozen grounds. ADNR also understands the project is located in an area already disturbed by the existing pipeline corridor, and that the Phase II disturbance will consist of cutting brush and small trees to allow access for small equipment adjacent to the new line.

The DMLW has reviewed the proposed amendment and consulted with Alaska Departments of Environmental Conservation and Fish & Game. While neither agency objected to the proposed amendment, the ADF&G does recommend that any clearing of vegetation between the existing pipe and the bank of the Goodpaster River be minimized to the extent practicable.

The requested amendment to Revision 8 of your Plan of Operations (F20129500) as proposed and illustrated in your January 22, 2014 submittal and supporting attachments is hereby approved. Nothing in this decision changes the conditions of the original Plan of Operations Approval dated February 7, 2012. The associated structures and appurtenances should be accounted for in the next update to the Pogo Reclamation and Closure Plan, and the closure cost estimate.

Please be advised this authorization does not eliminate the potential need for authorization of your activity from the U.S. Army Corps of Engineers if wetlands are involved.

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of issuance of this decision, as defined in 11 AAC .2.040(c) and (d), and may be mailed or delivered to Joe Balash, Commissioner, Department of Natural Resourced, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501, faxed to 907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to superior court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

If you have any questions regarding this approval, please contact Brent Martellaro at 907-451-2788.

Sincerely,

Scott Pexton

Mining Section Chief

cc: Brent Martellaro, ADNR

Carolyn Curley, ADNR Jim Vohden, ADNR

Tim Pilon, ADEC

Jack Winters, ADF&G

Stephanie Lovell, ADNR

Jack DiMarchi, ADNR

Kindra Geis, ADNR

Pete McGee, ADEC

Bill Morris, ADF&G